

In the Matter of)
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Modernizing the E-rate) WC Docket No. 13-184
Program for Schools and Libraries)

NOTICE OF PROPOSED RULEMAKING

Adopted: July 19, 2013

Released: July 23, 2013

Comment Date: September 16, 2013

Reply Comment Date: October 16, 2013

September 16, 2013

Comments from The Richmond County School System, Augusta Georgia

The Richmond County School System is proud to participate in the Erate Program, and thanks the Administration and Staff of the Commission, of USAC, and of other associated entities for their work in providing the support which Erate brings to this District.

We recognize the magnitude of the process and changes under consideration and will keep our comments brief, and on point.

Background:

Richmond County Schools in Augusta Ga. is a public school system with an enrollment of 32,000 students and some 60 facilities (including administrative units).

For Erate Years 2007 to 2011, Erate has funded to date \$ 5,531,947 in Priority 2 services; and during the same period, Erate has reimbursed \$ 5,997,057.56 for Priority 1 services.

Enrollment had changed little over these years and approximate Priority 2 funding per year, per student for this period is \$ 34.60; approximate Priority 1 reimbursements for the same period, per student, per year is \$ 37.48

Comments:

We offer the following comments in order of significance to the District, identifying the applicable paragraph number(s) in the NPRM where germane

Priority 1 vs. Priority 2

As noted in **Background** above, Priority 1 and Priority 2 budgets for the District are comparable. This reflects a philosophy of keeping a balance between voice and data content services and the distribution system necessary to support these services, which mirrors the Priority 1 and Priority 2 relationship.

First a matter which we feel goes beyond semantics. In Paragraph 18, much is made of achieving certain target “speeds” with regard to Internet Access. However the lack of context when conflating speed with bandwidth is misleading. Indeed, it is not hard to create a scenario where users of a “100Mb/Sec”

Internet Access have poorer performance than users of a “10 Mb/Sec” Internet Access: the number of users and the usage are the parameters. This is the context within which Paragraph 24 needs to be considered.

Paragraph 24 discusses the question of bandwidth per 100 or 1000 users. Our experience is that Internet Access is often delivered to School Districts in a single location. The District must then distribute this capacity over its geographical footprint via a WAN, and ultimately within its facilities via the LAN(s). A valid point to be made is that the WAN and LANs of a District are no less key components in delivering Broadband to the student than the actual delivery of bandwidth to the District’s door.

The immediate implication of this is that there must be a balance in the performance of these components. A District need have no more Internet capacity than it can deliver to the student. And again, would not the exclusion of either WAN (Priority 1) or LAN (Priority 2) funding be defeating the intended Goal of Broadband to the student/teacher?

Any good School/District Technology Department is already maintaining statistics on LAN, WAN, and Internet Access. The hardware and software to do this are readily and inexpensively available. This information, in standardized format, could form the basis for some serious evaluation of weaknesses in this delivery chain. This information should be made available to USAC and to the public; vendors in particular could use this data in formulating comprehensive and cost competitive solutions. Parenthetically, we consider that any data secured from Block 2 of Form 471 is severely flawed.

Paragraph 83 addresses a crucial question regarding Priority 2. As noted in the comment on paragraph 24 above **“the WAN and LANs of a District are no less key components in delivering Broadband to the student as the actual delivery of bandwidth to the District’s door”**. We recommend that the commission adopt a holistic funding approach to funding of Broadband delivery. The SECA recommendation mentioned in Paragraph 104 should be expanded to include the necessary electronic equipment (data switches, media converters, and UPS support for these devices) necessary for the delivery of data.

On a broader scope, as discussed in Paragraph 139, we propose that the commission adopt pre-discount limits for funding, in conjunction with the elimination of the Priority 1 Priority 2 Distinction, and a narrowed ESL. Using pre-Discount amounts will maintain the leverage of the poorer districts. We recommend caps based on a per student basis. Because of funding unpredictability, a minimum funding cap amount could be announced prior to the 470 process, followed as soon as possible by a release of a maximum funding cap amount. This would shift the consequences of uncertain funding from denials of funding by District to prioritizing of needs within the District.

Voice Services

Section III.B.2.c discusses transitioning Voice Support to Broadband.

We believe it would be devastating to summarily (i.e. in funding year 2014) do away with support for basic voice communications. While the intention to keep or do away with Hosted Vo/IP as a service is not clear within the context of the discussion on ride-over services (see paragraph 95 and 96). We strongly urge the commission to continue support of Hosted Vo/IP services. Even then, transitioning to a Hosted Vo/IP system would be a major and costly undertaking to most Districts.

As the commission is aware from 471 filings, many Districts have multi-year contracts with their providers for these services, and extrication from these contracts is a complicated and expensive

proposition.

Additionally, many Districts have communication systems hardware and expertise investments which are predicated on wired service to the District. Even Districts with (internal) Vo/IP systems are typically dependent on PRI connections to the PSTN.

Districts, including this one are continually seeking to improve their phone systems and cut costs. One major development has been the development of District wide Vo/IP systems which allow collective, hence more effective use of expensive external connections. Still, in the case of this District, basic telephone services (not including cell phone) are an annual \$ 300,000 budget item and Erate support for this would be difficult to replace.

Focusing E-rate Funds on Supporting Broadband to and within Schools and Libraries

- Paragraph 92 to 94 discusses the phasing out of “Outdated Services”. We see no need for Directory Assistance Support; on the other hand, there may be instances where paging, and indeed dial-up internet access are the sole mechanisms available and should not be phased out.
- Paragraph 96 presents a concept with potentially striking consequences. The notion is introduced from the Healthcare side that services such as video-conferencing or “even a simple health care related application” “ride over” the Broadband and the equipment or service should not be eligible for support.
 - Considering the video conferencing application, for example, does this mean the video conferencing equipment is not eligible (which it typically is, partially), and does it also mean that the Broadband usage for such an application is also not eligible? If it is the latter, then is WAN Broadband usage for Student Information Systems, printing, and other non-internet applications going to have to be cost allocated? Is Vo/IP a ride over service?
- Paragraph 97. We agree that email and web hosting services have been gerrymandered to decrease the cost of otherwise ineligible components. Nevertheless, having funding for basic hosting can be a cost effective alternative to purchasing and maintaining web server(s) (Priority 2)
- Paragraph 100 brings up the question of the broadness or narrowness of interpretation that should be applied to the scope of “educational purposes” when determining the eligibility of services. We believe two point should be made:
 - There are no services, from Janitorial staff, to security staff, to bus drivers, to bus mechanics, the absence of which would not affect the education process.
 - There is a need to simplify and streamline the Erate process. Introducing exclusions of otherwise eligible services for people or places will complicate the application, review, and audit process.
- We believe these facts constitute a good argument against any such exclusions.

Discounts and Eligibility and Funding

- Per Paragraph 129, we agree that the revision to the calculation of discounts should be based on school wide NSLP eligibility.

- In addition to presenting a more accurate picture of the poverty level in the District, this will substantially ease and/or simplify Form 471 Block 4 application and review.
- Also, if legally possible, we support the funding of all students PreK to 12 for all applicants regardless of the status of PreK students in a given state. This too will simplify review of applications.
- Per Paragraph 135 We strongly urge the Commission to set annual Budget Limits.
- Alterations to the Discount Matrix should be announced at least two years prior to the expected deadline date for filing forms 471.
- Inasmuch as the differentiation between Rural and Urban areas is intended to compensate for the increased cost of Rural service and the Matrix only provides that compensation for less poor Districts NSLP Eligibility < 50%, the rationale for this differentiation appears flawed.
- We understand the Erate position has been that it is the Districts who know best what their needs are, and there has been no standard of reasonableness set on what a District may apply and indeed have been funded for. Unless the commission is willing to quantify technology standards, the use of Budget Limits is the best tool for avoiding gold plated toilets.
- Funding provided must be used effectively. When a 90% District is told they are buying services for 10 cents on the dollar, the incentive to be good stewards is at least potentially diminished. When a District of 5000 students buys a \$ 500,000 email server, someone else is being shorted. When a District with less than 100Mb/Sec Internet Access wants a 10 Gb/Sec WAN, there has been an error of judgment. The argument can be made that decreasing discount will motivate more effective use of Erate dollars.
- Funding, where possible should be predictable, and timely. Delays and uncertainty in funding only make the job of operating a School District more difficult.

Streamlining/Improving The Process

We offer the following recommendations:

- Re: Paragraph 45, it is our strong opinion that there should be a mechanism in place for clearing encumbered funding. Once the Deadline for Invoicing of any single FRN has passed (unless in some procedural process, appeal, . . .) , a notice should be sent to the applicant indicating that barring extension requests filed within the next 30 days, or some other reasonable amount of time, the balance of available funds in the FRN will be set to Zero.
- The Form 470 is often largely inadequate for providing vendors with adequate information for bidding purposes and does not in many cases provide the level of information as indicated in reference 263. Could the form 470 be modified to allow uploads of Block 2 items?
- Item 21 submission should allow for the submission on line of additional documents with receipt; the online mailing of Item 21 Items is flawed.
- Barring legal impediment, we encourage the commission to make all Item 21 attachments

available to all applicants.

- We do concur that multi-year contracts may or may not be advantageous in a market with costs trending down.
- Would the proposed rule allowing the use of a single 471 for contracts up to three years affect longer contracts? Would those need to be filed annually as is currently done. Or would contracts in excess of three years not be acceptable?
- We do not endorse the filing of multi-year Form 471s for multi-year contracts, but the review of FRNs involving multiyear contracts should be very quick, particularly if Block 4 issues are simplified as discussed before. Would filing Multi Year FRNs in a separate 471 be useful?
- The Form 500 be put on line with a feature to load multiple Block 2s.
- BEAR reimbursements should go directly to the applicant
- There should be no need to take forms off-line while modifications are made

Miscellaneous

Participation of Erate in the procurement process:

- We encourage the Commission to allow applicants to pursue their responsibility in seeking out Vendors who will provide cost effective solutions and that the Commission not become involved in the procurement process.
- Paragraph 40 refers to Educational Impact Measurements. It is our belief that it would be outside the scope of Erate to venture into this area. The most cost effective delivery of approved services is really the Erate mandate, and focusing on other areas such as this will only dilute that mandate. The question needs to be addressed, but perhaps by others.
- Conversely, we strongly urge the commission to implement a system of technical assistance as mentioned in paragraph 200, for those wishing it or appearing to need it.
- Paragraph 67 asks for comments on specific technologies to deliver Broadband to applicants. Erate should be technology neutral. The question is: for equivalent services (i.e. bandwidth, in this case), which is the most cost effective vendor? While factors such as future proofing, and growth potential may be affected by the technology of the proposed solution, and hence affect vendor selection, it should not be a single determinant.

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